

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
THURSDAY, FEBRUARY 7, 2008, 2:00 P.M.
Room W020, West Office Building, State Capitol Complex

Members Present: Sen. Greg Bell, Co-Chair
Rep. Kory M. Holdaway, Co-Chair
Sen. Brent Goodfellow
Rep. Ron Bigelow
Rep. Mel Brown
Rep. David Clark
Rep. Brad Daw
Rep. John Dougall
Rep. Kay McIff
Rep. Curt Webb
Rep. Chris Johnson
Rep. Carol Spackman Moss
Rep. LaWanna "Lou" Shurtliff

Members Absent: Sen. Curtis Bramble
Sen. Dan Eastman

Staff Present: Spencer Pratt, Fiscal Manager
Patrick Lee, Fiscal Analyst
Karen C. Allred, Secretary

Public Speakers Present: Sen. Lyle Hillyard
Dave Buhler, Interim Commissioner, Utah System of Higher Education
Richard Nelson, President/CEO, Utah Technical Council
Lynne Ward, Utah Educational Savings Plan

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to Order—Committee Co-Chair Holdaway called the meeting to order at 2:10 pm.
2. **S.B. 180 Regents' Scholarship Program**

Sen. Lyle Hillyard distributed a handout, and introduced and explained S.B. 180, the Regents Scholarship Program. This is a promissory scholarship of \$1000 offered to each 8th grade student who takes a rigorous course of study (as outlined in the bill) through high school, and receives no grade below a C in core classes. A supplemental \$1,000 scholarship is also available to students if he or she is a first-generation college student and meets the requirements for the base scholarship. The scholarship is good for any state funded institute of higher education in Utah and at accredited private schools. A student may also receive \$100 per year as a matched by the state (up to \$400) if the student has an account with the Utah Educational Savings Plan. The Regents' scholarship brings a focus to students and a binding of public education and higher education. This is a big program with administrative costs, so ongoing and one-time funds are needed. S.B. 180 is not an entitlement

program, but subject to legislative funding and students qualifying. It is tied to the New Century Scholarship, but doesn't replace it, it is in addition to it.

Commissioner Buhler told the committee that this scholarship is one of the top priorities in their budget requests.

Richard Nelson, President/CEO, Utah Technical Council strongly supports S.B. 180 because of the large issue of quality of workforce. He also speaks as the head of the task force of the Governors Board of Economic Development, as an Education Committee member of the Chamber of Commerce Board, and also as a member of national groups. This is an issue nationally.

3. **Utah Educational Savings Plan**

Lynne Ward, Utah Educational Savings Plan, distributed a handout to the committee and explained how well the commercials for the Utah Educational Savings Plan are working. As of December 31, 2007, \$2.5 billion has been invested in UESP, 8% from Utahns and 92% from non-Utahns. Some answers to frequently asked questions are that UESP funds can be used in-state or out-of-state, wherever federal financial aid can be used, there are no minimums, the account owner remains in control and unused funds can be transferred to a member of the beneficiary's family. The state offers a 2007 tax deduction/credit up to \$1,650 for single a filer, \$3,300 for joint returns. In an effort to reach Utahns, UESP offers payroll deductions, business and institution campaigns, speaking engagements, backpack brochure campaign, "Road to Success" campaign, Utah State Fair booth, PSA radio announcement, television commercials, print advertisements and bus boards. A person can enroll online at the UESP web site, set up an online payroll deduction and submission, solidify relationships with financial advisors to share UESP information online, and gift notices are available online. A person can let a child know that they have made a commitment to the child's education by investing in a Utah Educational Savings Plan.

4. **Suggestions for GOPB In-depth Budget Review**

Spencer Pratt emailed a memo to the committee, and in the last meeting the committee was asked to be thinking of any other ideas or suggestions for an in-depth budget review conducted by GOPB.

MOTION: Rep. Daw moved to approve the three items mentioned in the memo, for an in-depth review of the budget.

The motion passed unanimously with Reps. Bigelow, Clark and Dougall absent for the vote.

5. **Utah Education Network FY 2009 Budget Request**

A handout was distributed to the committee showing the priorities of the Utah Education Network. The 1st is Network Infrastructure Improvements, 2nd is Technology-Rich Instructional Content, 3rd is Instructional Video Conferencing Improvements, and 4th is Enterprise Applications.

MOTION: Sen. Bell moved to make the Loss of dedicated credits to UMEC the subcommittee's first priority.

The motion passed unanimously with Reps. Bigelow, Clark and Dougall absent for the vote.

MOTION: Sen. Bell moved to recommend the ongoing funds in order set by UEN totaling \$1.9 million.

The motion passed unanimously with Reps. Bigelow and Clark absent for the vote.

6. **Committee Prioritization**

MOTION: Rep. Dougall moved to saunter.

The motion passed unanimously with Reps. Bigelow and Clark absent for the vote.

The meeting reconvened at 3:14 by Co-chair.

Rep. Holdaway presented a list of priorities reflecting the co-chairs' recommendations. The subcommittee discussed some of the items and their ranking in the list.

MOTION: Rep. Clark moved to decrease the amount for UCAT leases to \$850,000 (line #9) from \$1,301,200.

The motion passed unanimously with Reps. Bigelow, Brown and Moss absent for the vote.

MOTION: Rep. Webb moved to increase line 13 from \$398,600 to \$490,900.

Spencer Pratt, Fiscal Manager and Michael Kennedy, Utah State University, spoke to the motion.

The motion failed with Sen. Goodfellow, and Rep. Webb voting for, Sen. Bell and Reps. Holdaway, Brown, Clark, Daw, McIff, Johnson, and Shurtliff voting against, and Reps. Bigelow, Dougall and Moss absent for the vote.

MOTION: Rep. Shurtliff moved to move Institutional Priorities from 25th priority to 18th priority.

The motion failed with Sen. Goodfellow and Reps. Clark, Daw, Johnson and Shurtliff voting for, Sen. Bell and Reps. Holdaway, Brown, McIff and Webb voting against, and Reps. Bigelow, Dougall and Moss absent for the vote.

MOTION: Rep. Daw moved to adopt the list of ongoing funds as prioritized by the committee chairs and as changed by the previous motions and to add UEN staff retention at \$300,00 to the list at #26.

Dave Buhler, Interim Commissioner, Utah State System of Higher Education spoke to the motion.

The motion passed unanimously with Reps. Bigelow, Dougall and Moss absent for the vote.

MOTION: Sen. Bell moved to put \$1,742,000 on the subcommittee's priority list for the New Century Scholarship to priority 21 and then prioritize those below accordingly.

The motion passed unanimously with Reps. Bigelow and Moss absent for the vote.

MOTION: Rep. Shurtliff moved to put \$1 million on the subcommittee's list for the Utah Academic Library Consortium as priority 28.

The motion passed unanimously with Rep. Moss absent for the vote.

MOTION: Sen. Goodfellow moved to put \$8,028,500 for USHE Faculty Staff and Retention to item 27 on the priority list and move others accordingly.

The motion passed unanimously with Rep. Moss absent for the vote.

MOTION: Rep. Holdaway moved to saunter.

The motion passed unanimously with Rep. Moss absent for the vote.

The meeting reconvened at 4:27 pm.

MOTION: Rep. Daw moved to place \$390,300 on the subcommittee's list for UCAT Faculty and Retention Staff as priority 27 and move the others accordingly.

The motion passed unanimously with Reps. Bigelow, Clark, Dougall and Moss absent for the vote.

The subcommittee moved to the one-time funding list. Senator Bell presented the co-chairs' recommendations for one-time funding.

MOTION: Rep. McLiff moved to place Snow College Richfield Campus Buyout at \$1 million and put it as priority 21 and move the others accordingly.

The motion passed unanimously with Reps. Bigelow and Moss absent for the vote.

MOTION: Rep. Clark moved to accept the chairs list of priorities for one-time funding.

The motion passed unanimously with Reps. Bigelow, Johnson and Moss absent for the vote.

MOTION: Sen. Bell moved to insert \$100,000 for UCAT Emergency Campus Security on priority 21 and renumber others accordingly.

The motion passed unanimously with Rep. Bigelow and Moss absent for the vote.

MOTION: Rep. Clark moved to Include ARCHES Telehealth Network (\$1,300,000), the CEU San Juan Campus USDA match (50,000) and the USU Berryman Institute (100,000) as 26, 27 and 28 priorities on the chairs list.

The motion passed with Rep. Dougall voting against and Rep. Bigelow and Moss absent for the vote.

MOTION: Rep. Clark moved to Adjourn.

The motion passed unanimously with Rep. Bigelow and Moss absent for the vote.

The Committee was called back to order by Co-Chair Holdaway at 4:50 pm.

MOTION: Sen. Bell moved to approve the budget transfers for the Utah System of Higher Education as outlined in Issue Brief USHE 12 p. 25.

The motion passed unanimously with Rep. Bigelow and Moss absent for the vote.

MOTION: Sen. Bell moved to approve the Budget Transfers for the Utah College of Applied Technology as outlined in Issue Brief UCAT -- 06 p. 11.

The motion passed unanimously with Rep. Bigelow and Moss absent for the vote.

MOTION: Reps. Clark moved to Adjourn with a vote of thanks to the Chairs.

The motion passed unanimously with Reps. Bigelow and Moss absent for the vote.

The meeting adjourned at 4:55 pm.

Minutes were reported by Karen C. Allred, Secretary.

Sen. Greg Bell, Committee Co-Chair

Rep. Kory M. Holdaway, Committee Co-Chair